ORAL HISTORY—

SHIRLEY KALLEK

This is an interview conducted on April 27, 1983, with former Census Bureau associate director for economic fields Shirley Kallek [1974-1983]. The interviewer is Elmer S. Biles former chief of Industry Division, whose last position at the Bureau was senior economic advisor [May 1977-Jan. 1981].

Biles: **I guess, Shirley, what we need to do is to start in the beginning, and may be you could provide some information in terms of your background, education, areas of study, and mention your previous employment before coming to Census**.

Kallek: Well, all of that, Elmer, as I mentioned to Fred Bohme, is in the personnel file, and it doesn't make much sense to me to spend a lot of time going through it. I came to the Bureau in 1955. I started in the Industry Division; came as a temporary employee; and this is one of the differences between the environment today and the environment 28 years ago.

When I arrived at the Census Bureau in 1955, there was a shortage of staff due to the major reduction in force in the statistical programs in the 1953-1954 period. More importantly in one sense was the fact that people that they had hired had been without status for many, many years and they were all in temporary jobs, something our younger staff members don't even understand. I had been there about 3 months and David Cohen, who was my first supervisor, was very upset because he had offered me 2 choices: one was to become a permanent employee and the second was to get a temporary promotion.

Since the papers I had filed had indicated that I could be hired at a higher level, I chose that. I must admit, I don't remember if I was hired as a 7 to be made 9, a 9 to an 11, but it was in that range 7, 9, 11.

Biles: **What ever led you to the Bureau? How did you get here?**

Kallek: I got to the Bureau because when I went out to start my own business, as a precaution, I filed papers with the government. That had been about 2 years before. I had

a very nice private consulting business going, very brash, I was about 22 or 23 years old. That had started because I had left the Transport Association, since they hired a male analyst and they were paying him about $4,000 more than I was being paid. When I asked for a raise, they told me what a great job I was doing and offered me a 10 percent raise which was from a $4,000 salary up to $4,400.

Biles: **Your first experience with discrimination**.

Kallek: That's right. So I decided I would leave, and before I knew it, I had been offered a consulting job with this firm and with that firm, etc., although I had a full fledged business going. One of the things I discovered was that temperamentally I was not cut out for my own business, in the sense that I was worried about two different things at the same time; one was how would I finish all this work I had to do and at the same time, I was wondering what would I do when I finished all this work. But, as I said, I had filed my papers and they were 2 years old when I came. David Cohen had called me up, it was between Christmas and New Years and we were very busy at my little office at that time, and I decided, well, since I was getting married in about 6 months, this was a temporary job for 6 months, and it all fitted together very nicely, I decided to come out to the Census Bureau. Here I stayed ever since.

Biles: **Twenty-eight years later.**

Kallek: Twenty-eight years later, I'm still here. It's been a good career and I enjoyed it. But that wasn't the purpose of why I wanted an oral history about the individual. The reason I kept pushing for an oral history is I realized about 6 months ago that I was becoming the institutional memory of the Census Bureau, and that all the rest had deserted me, and here I was by myself, being one of the oldest people at the Bureau and staff didn't know anything about the report on the needs for data after the 1953 census (Report of the Intensive Review Committee) or any of these things that happened. And I felt gee, primarily Dr. Eckler [A. Ross Eckler, deputy director (1949-1965), then director (1965-1969)], Morris Hansen [Morris H. Hansen. assistant (then associate) director for statistical standards and methodology (1949-1968)], Joe Waksberg [associate director for statistical standards and methodology (1972-1973)], and the rest of them, had set up specific things at the Bureau, and nowhere in our written history can you really get a hold on it. So it is not really a history of individuals, at least the way I look at it. It is really an oral history of the Census Bureau to fill in the institutional gaps.

I think the whole problem of how you get sampling adapted, or adopted, I should say, for certain uses, well, we just take it for granted now. It must have been very, very difficult in the 1940s and early 1950s. I remember when I worked for the Transport Association and I was working on the survey of Origin and Destination of Passengers. The first time I ever came out to the Census Bureau, the whole idea of selling sampling to the Civil Aeronautics Board was just very difficult. Just couldn't understand how you could take one person on a random basis and have them represent "X" number. I think we have the same problem here. I think the problem of how we use the computer, starting in 1953, with the Economic Censuses, was a great advent. And we talk about an Apple computer being very small, with a very small capacity, and I keep pointing out to people that we did a whole Economic Census on a machine that has less capacity than this Apple has, we had more problems than you have now.

Our whole treatment of confidentiality has changed. So these are the kinds of things that I'm trying to get it. And I'm not quite sure how we do this, because what I'm really trying to say is, what papers should we have saved or did save; what's going to be important 10 years from now, 15 years from now.

Biles: **We don't really know and possibly it's the philosophy in terms of how you approach things.**

Kallek: And the philosophy has changed and I'm sure as time has gone by, I'm sure when you interview Dr. Eckler or Howard Grieves [Howard C. Grieves, assistant director for economic fields (1947-1965), deputy director (1965-1967)]—Howard Grieves is probably a better example, since he sat in this job, will look at it very differently and if you look at one's predecessors, each one handled this job very, very differently and had different priorities, and also the concepts were different. For example, confidentiality. We have a much more, I don't want to use the word rigid, but for want of a better word now—rigid interpretation today than we did when I first came here. And yet, it was always very strong, but the use of the data, micro data, which is an argument I've been involved in recent months, was much more loosely interpreted 25-30 years ago than it is today. Jerry Marx remembers, Howard, Max Conklin, giving them the individual reports; letting them look at the individual reports for the productivity study, I guess back sometime in the mid-'50s, whereas I wouldn't let them do it now. I think we are in a better position today than we were then in terms of confidentiality. I think it's creating as many problems, but what are

the problems facing the Bureau today versus before. Say, I'm not quite sure whether we go...

Biles: **May be we could sort of ignore the career stages in terms of various job positions you had in the Industry Division.**

Kallek: Yeh, because I can...

Biles: **But, if we zero in on some of the major problems or major projects that have concerned you, that you had been vitally involved in down through the years, not necessarily in this job; but I assume most of these problems and most of these projects, you have now; maybe you could identify some of these. You started on confidentiality. You mentioned confidentiality as being one of the major problems of the Bureau being faced with, but there are others. May be you could touch on program development, the evolution that's taken place there.**

Kallek: Okay. Let's take a stab at going through it period-by-period and see if things change. When I came to the Bureau in January of 1955, there was a whole question of data needs and the giving up of specific data. The 1954 census had just been reinstituted, it was originally supposed to be in 1953 and at that time, everybody in the Bureau knew about the Watkins Committee report.

Biles: **But very few of the people now, know about the Watkins report.**

Kallek: They don't know what you're talking about.

Biles: **And what was it?**

Kallek: It is just as important for us to remember it today as it was in that time. This report was due to the fact that when the Economic Census was cut out, the business community realized within a very short period, and I understand within about 6 months, while it was very nice to reduce reporting burden and reduce government intervention, if they didn't report in the census they were going to have no results. It turns out that they used the results, and it was at their instigation that the Watkins Committee was set up under Secretary Weeks, and it covered a number of areas as to why the data were needed and why the census was needed, and literally within 6 months, it was reinstated. The interesting thing is since that time, no one has ever attempted to cut back on the Economic Censuses to any large extent, or say it shouldn't be done. That apparently had a very tremendous impression upon the Congress and on continuing members of the Office of Management and Budget.

Biles: **Why do you think it happened then and couldn't happen now? Simply a failure or lack of appreciation for statistical data back at that period?**

Kallek: Yes, I think the Eisenhower Administration came in with the idea, and sold the idea, had gotten elected on the idea, that you wanted to cut back on government, and the Economic Census, which is a cornerstone of your statistical program and is used as benchmarks, etc., and sort of permeates all of your uses of data — it's not like a current figure that you see coming up in a newspaper every week—and 1953 is really a long time ago, and there was a just, really, a lack of appreciation as to how these data were used.

Biles: **Do you think that is partially the fault of the Bureau in terms of its outreach program?**

Kallek: 1953? We've been talking about how you disseminate data for umpteen years, for as long as I've been here. Do we do a good job? We do a better job than we did 5 years ago, 5 years ago is certainly a better job than 10 years ago, and I think 28 years ago we didn't have anything. We worked closely with some trade associations. But the interesting thing is once they try to cut it out, news spread very rapidly about that. Anyway, it was reinstituted in about 6 months. But the interesting thing, if you really look at the program, the United States has the most advanced census program of any developed country in the world. No other country that I know of has attempted to do a comprehensive census covering manufacturing, retail, wholesale, etc., usually the wholesale part and retail part, stymie people; it is usually too expensive.

I think one of the reasons we succeeded is that we have been able to develop the use of administrative records to a much greater extent than other countries have for whatever the reasons we have. And we are more used to hard data. But in the cuts that we talked about for 1980-1981, the cutting out of the Economic Censuses and its need in the national accounts as a benchmark, and for the input-output tables, was never questioned, it's just taken as a fact. So in one sense, everyone has done a good job in that area.

It's not true in the Census of Agriculture, where it keeps coming up, for what reason I really don't know. But I think we have done a better job in describing data needs and have, I think over the last 20 years, a much more active...

Biles: **How did this originate? Do you think this was—was this instilled in you or do you feel this is something that you found an awareness of and you had to go out and try to sell the data? Where's the combination there, in terms of recognizing the data needs; how do you determine the data needs?**

Kallek: Well, there are different levels of data needs. The data needs of trade associations and of very sophisticated data users out there, in one sense, is a two-way street. They know we're here, and we have always dealt with that.

I remember back as a young analyst, we always dealt with the trade associations in your area. And you had a very, very good network. The dissemination to more generalized groups, to planning groups was not as well done. We really didn't pay much attention to them. We felt that this was our constituency, and when someone needed data they knew where to come.

Biles: **We were quite introspective at that point. Is this correct?**

Kallek: No, because the request for data, the data needs, the dissemination was very, very much one the sample people. And really, in one sense, I don't think until Vince Barabba [Vicent P. Barabba, director (1973-1976 and 1979-1981)] came in did we attempt to expand the data dissemination to other than these groups; and again I'm talking only about the economic area. I think sometimes people mix up the need to get people to know what's being reported, I'm sorry...in the decennial, you want to weigh each personal respondent as important in the census, but does every individual, as part of the general public, have to know what kinds of data you're putting out; are they going to use it? In my mind, the answer is no. I think what we have failed at is how we get small businesses or groups that could use that data to an advantage; how do we get them involved. There is a question in my mind. The more someone uses the data the more apt they are to report in your survey, particularly on the establishments. But there's always a conflict between small businessmen on how they really use the data and how do you reduce their response burden. There has always been a conflict between the two and it has never been resolved.

Biles: **Go back a few years; what do you think has been the difference of reportability of information by the business community? Do you think it's been more difficult to collect data?**

Kallek: I really don't know Elmer. I don't think so. I have to get it separated into pieces. I think that particularly this last recession, larger companies are saying why isn't it mandatory, if it is so important? They have a policy of only reporting on mandato-

ry surveys, and that is because business is bad, and it costs money, and there is a tremendous influx of reports from other agencies on a mandatory basis. I think we get a better, some ways a better response now because I think we are more aware of trying to have a respondent understand why the report is necessary. I think our instructions are better. I think we just do a better job today than we did 15 years ago. I think 15-20 years ago, we thought all you had to do was send out this report form and say here it is boys, and you fill it out and send it back.

Biles: **There was a different awareness of government in those days too. Partially. Today you have to work harder at terms of keeping the cooperation.**

Kallek: Well, I'm trying to remember, is our cooperation really better than it was before, or we're more aware of it. In other words, I say to people, our data is much better today than they were 5 years ago, and I guess I use the censuses as an example. I would hope 5 years from now they'd be better than they are. I think, at least the time I was here, the agency went through tremendous throes in changing its method of operations, and because of that, I think it went through some sticky periods of organization and crisis, etc. I guess I feel that one of my major contributions in the economic area is that we run things much more smoothly. Forget whether they are better or not better, but they're much more smoothly run, and we don't have the crisis that I remember in the $60s and $70s. Because of that, we've been able to look at control...

Biles: **Why would you say that's true?**

Kallek: Because I'm a very good operations person, and I've paid attention and detail to the operations; and I think my predecessors paid less, but I also think when we first came in here in the $50s, we had a very labor-intensive operation.

We were really an arts and crafts shop. And back in the craft union stage, everyone ran a survey, designed the report form for the survey, and set his/her own specifications for it. You had 110 surveys and 110 different report forms which made no difference, because your clerical unit sat two bays away from you, and you could see the report forms as they came in, and you felt each one, and you looked at the data, and you knew each company and what happened each mont, and you could walk around the unit. It was a whole different ball game. We also had, proportionately speaking, much more people for those number of surveys that we did. We had far fewer surveys.

And most things were done that way. I think the same was true in the Business Division, where you go back, and you hear the ways the surveys were done, and when it changed over to a list, you think to yourself, my God, how did they ever manage.

Biles: **I've been away from the Bureau for a couple of years now. And what I'm saying has no direct bearing on— to be quite frank, I look at Shirley Kallek and I think that one of your major contributions has been in the area of management, in improved management of the operating programs. Could you zero in on that a little bit and tell what your philosophy is on management? How is it that you are able to bring about these improvements?**

Kallek: Well, as I said, I think that ...

Biles: **You don't find these in memos.**

Kallek: Well, there are several things. I think that we adapted more readily to the use of the computer. But I think more importantly, we got things straightened out on an operating basis. We spent much more lead time in planning things, and didn't make a plan where everything had to work exactly right. We were much more realistic on what could be done, and had interim procedures or fall back procedures when you introduced something. I think the standards that were set, were high standards, and people rise to those standards. But I think one of the most important things is that we do a far better planning job today than we did 20 years ago.

Somehow when I first came to the Bureau—it kind of goes back to what you were doing—when you worked on one survey it made no difference, so one survey would be late. Everyone planned it a little differently and that was fine. It didn't hurt you or didn't make that much difference. Once you started getting into the computer and started to automate to any degree, first, errors showed up much more greatly. You had to plan for those things.

Remember, the first time we did the Annual Survey of Manufactures on the computer, and all of a sudden when we didn't punch this year and last year at the same time, and tried to match, 20 percent of our cases didn't match. And I sometimes shudder to think what kinds of things, but also the problem was we didn't even think of those things so, therefore, they came to us as a big surprise. Therefore, we were late before we got started, because things wouldn't work and we didn't realize the length of time some of these things took.

Look, for example, at the amount of time and effort that was spent on computerizing the Current Industrial Reports surveys before I took over. It must have had four people on it. The same thing was true on the M3. We had a lot of people working on it. But the problem was people did not really plan out what they wanted to do, did not have a time schedule, or a reasonable time schedule. They had one that was completely unrealistic and so, of course, they were late before they got started. So they paid no attention to the time schedule.

Secondly, sitting where I'm sitting I know what's going on. They can have different styles of management. In one sense, I believe in the Rickover style, as long as things are going smoothly, it doesn't make any difference what the top knows. But as soon as you run into a problem, the question is how does management have an impact by saying, okay, we can cut this out and we won't have a problem, or I can say see by not doing this people are going to have a problem, and see ahead of time—and most people see it, because you're looking at more of the things and not looking at it just from the point of view of the details and the trees. People are just very unrealistic as to how long things take and what things can turn into problems. This has been my experience. The other thing is I never do someone's job for them.

Biles: **How about a few words on employee motivation? I think that is what you are touching on now.**

Kallek: Well, I think a good example is the CCS computer, which is the Census Computerized System. It's true that I fought for them, to get the computers for what we needed. When we first started to put our specifications down, I kept meeting with the various groups. It was very obvious that they were trying to superimpose an old system, the way they used to do it, on this new computerized automated interactive system. It took, I would say, 5 to 6 months of taking their memos and critiquing them, pointing out why it was doing that, but never once redoing their memos. Because the best piece of advice I ever got was from Max Conklin, when I was trying to decide whether or not to accept the division chief's job, and he had said to me, remember one thing, Shirley, I can guarantee that you can do any one of those jobs better than any member of your staff, and I can also guarantee that you will not be able to do them all better.

And so at the end of my critiquing and someone finishing it, they still feel it's their job, and they can still take pride and satisfaction. Also, to be blunt about it, I won't accept crap. And it's true we may have to redo something 4 or 5 times.

But it finally reaches a level where everyone is pleased with what comes out. But the more interesting thing is, getting back to the CCS computer, is once they caught on—because we don't have stupid people in this Bureau—they went far beyond me. Every time I think about it, I sort of grin to what I think about the things they put into that program. It took them a long time not to superimpose the old system and we're having the same difficulty in trying to start the automation for the current program. A very good memo was written, but I could take each page and there are four sentences on each page, which indicates that they are not thinking in new terms. It's very hard to get people to think in new terms and by the way, it's very hard to motivate people not to do the same old thing. It is much easier to do the same thing.

Biles: **This is the fun that you have had in your job. Because it becomes a certain degree of satisfaction, in terms of being able to instill, to get that kind of accomplishment. To get people to meet the challenge, because they have a satisfaction, correct?**

Kallek: That's right. There's no question about that. But also, some people are good operations people. I've been fortunate enough, not only to be interested in operations, but also to be interested in analysis and subject matter. There are relatively few people who I have discovered who have both interests.

Biles: **So you know a crappy figure when you get one.**

Kallek: That's right. But you also wonder sometimes how some of the things were put together 20 years ago. And how good those numbers were. They had different advantages 20 years ago. You had the analyst who really knew the individual company. We don't have it to the same degree today. And ignorance is bliss on some of these things. But, I also have finally accepted the fact that there are relatively few survey analysts who are both interested in analysis and survey processing. And that's been evident in the inability to get analysis really done as part of a division's output. And I hope the Center for Economic Studies will fill that void to some extent. Is it right? The answer is no, because I also believe that we don't have survey analysts that know that much about survey processing anymore, now that we moved it to Jeffersonville.

So I think that we have those kinds of problems. But what do I think the problems of the Bureau were 20 years ago. Sampling was a problem 20-25 years ago, and that's no longer a problem today. The problem of automation 25 years ago really wasn't a problem because you really didn't think of it in those terms.

We looked at the computer as a means, really, for substituting for clerks, and for tabulating. The whole concept of interactive production and the use of the computer as an analyst, as a tool for the analyst, really is only 10 to 12 years old, once the interactive part came in, and we have been very negligent on that. To the extent that we don't get that done, we'll never increase survey analyst's productivity, or really get the caliber of an analyst that we should be getting.

The movement of the operations to Jeffersonville; the minimization of the clerks that we need for these operations; the automation, makes it far more important that we have survey analysts that have a much clearer idea of what they should be doing, and not just in a rote way, but really analyzing the data, because they had to really set the specifications of what do they want to look at. They've got to set them before they look at the schedules. They've got to be able to determine what impact changes make on them, on the final reports.

These are all of the kinds of things we don't have at this point, and which I hope over the next 3 or 4 years, we have a major change. I think this is a thing that is facing, to my mind at least, is the major problem facing this Bureau, and when I talk about the Bureau, really I guess I'm talking about the economic areas. I think the same is true, the demographic, but I don't really want to say what I think their major problems are. But I think in the economic area, that's a major, major problem. How do we change the kind of analyst we have and make the analyst more, to go on to a better word, more analytically inclined, and not treat some of these things in a rote routine fashion? Which by the very nature of our operations over the last 10-12 years has made this be a necessity.

Biles: **What you say, maybe we've moved in the direction of a highly specialized organization, where specialization for computer processing is in one area and a specialization for sampling is in another?**

Kallek: No. I don't believe that. I'm not willing to believe that, because I think that you have to have it in one. I do believe we're going more into the form of matrix management than we are in just highly functional management where you have a function separated. Because I still believe the be-all and end-all is the subject matter area, and that the subject matter area has to be the one that specifies what's going to be done. And I think if you try to put the computer programmers in one area and the math stats in another are, you lose some of the advantages of a more cohesive organization.

There's always advantages and disadvantages to all of this. But at least the thing I'm looking at, over the next couple of years, is more a form of matrix management, than I am trying to change the structure. This is one of the reasons we have an assistant director now for the censuses and one for the current surveys, with no divisions basically reporting to them, because I think the functions sort of get spread out over all units. This, by the way, I think is one of the biggest differences between now and 20 years ago, where each division could sort of be independent. The computerization and automation of the Bureau, the cost involved, the time involved, the similarity of the efforts and economies of scale requires this to be a Bureau effort, not a division effort.

In other words, when we started to automate back in the $60s, in the Industry Division's Current Industrial Reports, we could go our own way, and the Business Division went its own way. In retrospect, I think we would have been better off if we went the same way. But we didn't. It didn't have that much of an impact. Today, that's no longer true. The kinds of things, for example, we're doing in the economic censuses or did in the economic censuses for the Jeffersonville operation, the kinds of things we want to do now for the current surveys; the point is that there be much greater coordination among the divisions and that there be much more lead time.

Now you can say, okay, I'll break it up and I'll have an analytical division and I'll have a processing division within the economic areas; I'll have a programming division. I think that would be disadvantageous, but then nothing is perfect. At least, what I want to try is, as I said, is what's known as matrix management, where, in effect, you could continue with your line functions as we do those in the divisions, and then for these projects to pull people out. Something, I think 20 years ago, we never thought of. And it wasn't even a problem. I don't believe when I first came to this division, to the Bureau in 1955, we really realized how that computer was going to affect all of our lives.

I remember the first time I computerized one survey. I was so proud, and really the instigation came from Howard Grieves. I took it a step at a time.

Biles: **At first, there was considerable disappointment because we expected to solve all the problems overnight and it took us many, many years to learn how to work with the computer; how to live with it.**

Kallek: Oh yes.

Biles: **And we're still learning.**

Kallek: Well, we used the computer to start with, as a big clerical operation, in place of a clerical operation. What we used to give to the clerks to do, we now can put on computer, or put on ten times as much. But we knew how to specify that. We really didn't know how to specify what we wanted the analyst to do.

Biles: **To do the analytical portion.**

Kallek: And to this day, we really don't know. It is much more difficult to...much more difficult.

Biles: **Let's pick up where we left off.**

Kallek: I think one of the biggest differences today versus 15 to 20 years ago is that we don't operate in a crisis mode. That's what I said earlier. But I think this permeates everything we do. If you worry about getting something out and it's late already, and you don't have the time to look at the conceptual problems that get involved with it, you don't have time to really say, well I'll test this out or test that out. You don't really have time to look at the data.

A good example is the inventories. There's no question in my mind, one of our greatest accomplishments and it took a long time, was that now we'll be collecting decent inventory data. That's taken me most of my 8 years that I sat here. One of the first things I did when I became Associate Director was to set up the committee with National Bureau of Economic Research on inventory improvements, because of the hassle we were having at that time with the quality of the data. But it's taken all of that time, first to train somebody in the Industry Division and make them expert—it's taken me 2 years to finally get the Business Division to agree to hire somebody—and it's really taken the efforts of a lot of people to come up with a question which will give us uniform information and which will be useful. And yet I'm certain the Business Division still doesn't understand some of the ramifications of that questionnaire. Because I know that what they discussed with me for the annual report is not what they did. Now on this particular case, it didn't hurt, but they really didn't understand what they were doing. Now the problem is too many staff members have been involved only with the routine type of review of data, rather than looking at the information that they're collecting and say, how does this fit into the larger package, do the data we're collecting make sense. I may preach that, but it still doesn't get across as fast as I like.

One of the things you find sitting in this job, although people say I'm impatient, is that you develop a tremendous amount of patience in getting something done. It doesn't get done overnight; it doesn't get done in 6 months; you measure things by years. And I still spend the time saying, okay, where do I want to put my emphasis this coming year; where do I want to put my priorities. And this changes, and I do this every January. Where am I going to spend this coming year in utilizing my time; it's not utilizing it the same place every year.

Biles: **But these same questions you're asking yourself, you also are asking your division chiefs.**

Kallek: That's right. But some of them get them answered and some of them don't. And yet I would say that we would probably have, as a whole, overall probably one of the strongest sets of division chiefs we ever had. Again, I attribute a great deal of our improvement to the fact that for this Bureau to succeed, it has to have a decent operating environment. You've got to mail the report forms out on time; you've got to be able to check them in; you've got to have a program that analyzes it. Otherwise, you're spending all your days trying to get just the basics done. Once you try to get the basics done and you're having problems with that, you have no time for anything else. That's where we fall down lots of time.

Biles: **You emphasize planning; planning and developing the schedule and meeting the schedule.**

Kallek: Yes. This is what people laugh about, about my time schedules. But that's one of the reasons we've succeeded, because you do have a time schedule, and you tend to stick to it, because that forces you. The other thing is the sign in my office, which I'll read to you. It says, "Nothing will ever be accomplished if all possible objections must first be overcome."

See people, I think, make a big mistake. They want to plan everything out and plan the whole world, and they're not going to get started until they do everything. Well, you never do anything. You start small and you keep building on it, and you learn from your mistakes. You also learn how to get some of these things done and you sort of put priorities on it. Otherwise, nothing gets accomplished. The whole trick is to be able to say, what have I done now and what have I done in this last year that's better than what we did the year before. And if you look towards that, all of a sudden you find that 5 years have gone by and you've done something. Otherwise, you look back 5 years from now and you haven't done anything.

Now somethings, in a way, I felt that I accomplished just trying to bring more analysis into the Bureau. The use of the longitudinal data file, which Max Conklin tried 20 years ago, involved a mistake which was made. And I have enough egotism to believe that if I were working on it 20 years ago, it would've succeeded. Because I would never had let Max go back to the early period, trying to clean up that data. That's what they were going to do when they first proposed this.

Biles: **We're now talking about what is commonly known as the time series.**

Kallek: That's right. We now have almost 10 years of data on it, because I said we'll go backwards and forwards, but we're not going to start with the very earliest period.

There's no question that there's a tremendous amount of excitement for you—excitement outside this Bureau, by the way. I really cannot get the divisions or the division chiefs or the staff really excited about this robust set of data, because our staff does not think in terms of analytical uses. And this is one of the things that gets very difficult when you attempt to say, okay, when you set up your procedures for reviewing the data, you've also got to take into account, not only are you going to publish the information, but you're going to use them at the micro level for analysis and research. And this is one of the challenges for the future. You just can't keep collecting more data to find out what's going to happen or what's happening.

In the same way, another area that we've done relatively little in, even though we've done more than other agencies, is the use of administrative record data. There's no question in my mind, that the future of data collection in this country depends upon us taking administrative records and making them more suitable for statistical purposes. The whole question of reporting burden, of costs, etc., is real, and it's not going to go away. I don't think we worried about reporting burden as a statistical system that much 25 years ago. I think the Census Bureau did, only because we worked very closely with the business community, but even we were not quite as attuned to how you keep cutting it out. I think we were more concerned about costs when we used administrative record data. Then we realized how much we were able to get away from the small business burden, and stop bothering them, so the two went together. But I think the question of reporting burden is one that's not going to go away. I think the cost of collecting data is not going to go away, and these are problems that have been around for a long time.

Biles: **To provide that data user need or in effect, still saying that you feel it's important we use, and better utilize, administrative records, like in getting out an annual mini census; expanding the county business patterns programs concept.**

Kallek: No question. There's lots and lots of ways. But I think there are lots of data sources that are collected for regulatory purposes, that if we looked at, could be utilized for statistical purposes and can be combined with other data that are collected, in a much more reasonable fashion.

As I said, I think the great area for explosion and exploration in the next 20 years or 10 years is administrative record data. Are we going to succeed? I don't know, but I think if we are going to stay in business as an agency, we have to. I think the day of just collecting information that is in company books is gone. I think we have to make sure that the data we collect are policy-relevant to a greater extent than we ever did before. We have to convince our constituency, which is the business community, that those data will be in their best interest to report. We've got to compete with lots of other agencies. When we say that we don't collect data through coercion, but we have mandatory reporting, because we want to let a company distinguish between that which is voluntary and that which is mandatory, and that we're not really doing it so we can fine a company, it's something we really believe in. We're not just saying it for the general public.

Biles: **Are you suggesting that this would mean a closer working relationship with other agencies?**

Kallek: Oh sure. My views on that, Elmer, are, I don't know whether they're standard or what. To succeed in some of the things people want, you really need a centralized statistical agency. I don't know whether...it's personal opinion, but I don't think the Office of Statistical Policy has been a strong organization for many years. I don't think it can be a strong organization, particularly under today's environment, where it sits. To really reduce some of these reporting burden issues requires, I think, a centralized focus. There's advantages and disadvantages to all of this. I think you've got to just look and see where economic data being collected to realize that much of this was just happenstance. There was no rhyme or reason. It was an agency that had either money or the ability to do it. It makes no sense for the Bureau of Economic Analysis to be collecting wholesale price indexes, when we basically have the data and a vehicle to do the monthly report. It makes no sense for the index of industrial production to be collected by the Federal Reserve Board, ex-

cept that they started it in the early 1900s when the Census Bureau really wasn't even almost in existence.

Biles: **In doing that, though, doesn't it bring with it an increase sensitivity here at the Bureau as to what the data user needs are of other agencies?**

Kallek: That's right. But the index of industrial production is not used only by FRB anymore.

Biles: **No, I mean in some of the other data areas.**

Kallek: Sure it does. There's no question. The argument is, should you be part of a program agency? These are arguments that have gone on for many years. It's not all cut and dry. If it were, in one way, we're much, much better; in another way, it old have come to the floor a long time ago. As I said, there are advantages and disadvantages to all of them. The question is really can you have a strong office of Federal statistical policy? In many ways, the last time it acted as a strong agency was in 1959, when they moved the Current Population Survey analysis over to the Department of Labor and gave the Census Bureau the construction statistics division, and when Julie [Shiskin] made the decision that the consumer expenditures survey would be done by the Census Bureau.

Biles: **This is Julius Shiskin.**

Kallek: That's right. That was, I guess, in the early 1970s. And so as I said, that's when he was assistant director over at the Office of Management and Budget, and that was when it was really part of the Budget Bureau. So it's hard to say what's important. Certainly, it was a disaster when the Office of Statistical Policy was moved from the Office of Management and Budget over to the Department of Commerce in the Carter Administration. It was just as much a disaster when it moved back to the Office of Management and Budget under the Reagan Administration. The question is where can it find a home.

Biles: **Shirley, over the last 28 years, you have been involved in a lot of different programs and certainly made an impact on the Bureau. If you had to do it over again, is there anything you would do differently?**

Kallek: Wouldn't scream as much.

Biles: **Well, it instills willingness though, doesn't it.**

Kallek: No. I don't know if you realize, before I took my first job as a division chief, I sort of stunned Walt Ryan because I wouldn't give him an answer right away. I said I

had to go home and think about it, for that reason. Think serious, in one sense, I think you can accomplish as much with, let me say, a more quiet style of management. And I certainly don't recommend it as such. I think if I had to use something as a minus, I would use that as a minus. I think the only thing that has happened is that the Bureau people got to know me and I got to know them. And they were willing to accept it, so, therefore, it made life easier. And actually my bark is worse than the bite, so it sort of made up for it.

Would I do things differently? No, I didn't really plan a career as such at the Census Bureau. I was just one of those fortunate few that moved from job to job each one having more responsibility and enjoying each one. I always had a special research project going on. Always, for example, I was interested in seasonal adjustment and was able to indulge it, really from back in the days when I worked in apparel, all the way up through the time even when I became Associate Director, that was one of the first conferences I set up.

Biles: **You always had enough savvy with me, for example, that you knew about some of the crappy assignments you hand me, but you also tossed a few jewels at me every once in a while. Right?**

Kallek: But we all had the crappy with the good and it never really bothered me to do the crappy ones. I guess I never felt any job I was doing had demeaning features to it. So I learned to run a calculator or an adding machine along with anybody else. I never really thought, would I do things different. I'm not a very introspective individual and I never really sit and say, well, if I had this to do over... If I had the ability to change something, it would be, no kidding about it, it would be this business of being so volatile. I think that if I were a more calm person, such as you or Roger, it would be better.

Biles: **But it's been a lot of fun.**

Kallek: Yeh, I've enjoyed it. I must admit, it's been, for me, a very satisfying career.

Biles: **And it's been the challenge, I think, in terms of trying to do the impossible or trying to do the things that you have been able to do.**

Kallek: Well, but you see this is why when people say to me, they can't do things at the Census Bureau, I look at them, because that, I don't think, is a fair statement for the Bureau. I think the Bureau, as a whole, encourages innovation, encourages new ideas, and you may find instances where it doesn't, but I think you can move within the Bureau, so you always do fine in it. I know I have always found it, and I cer-

tainly attempted to have my staff find it in what they do. I think the problem is, to find the people who want to try new ideas. I think that's more of a problem, because it's much easier to say, no, I did it this way before and it worked so, therefore, it's satisfactory. That would drive me up the wall if I had that kind of a job.

Biles: **But you would certainly say those same challenges are there to a new employee coming on board today as there were 20 years ago?**

Kallek: No question.

Biles: **Probably even more so.**

Kallek: I think there's more of a challenge today, because the impact on the Bureau for things that have to be done is greater.

Biles: **Do you think the Bureau has any problems in communicating that to the new employees?**

Kallek: No.

Biles: **Why's that?**

Kallek: I don't know. One of the problems about being part of management is you get very little of the feedback, so you really don't know how people are thinking. You get a very distorted view as to what people think. I really don't know. I just have that feeling, it's something that's got to be overcome.

Biles: **Reese Morgan.**

Kallek: Reese Morgan, where they knew their industries backwards and forwards, but heaven forbid you try anything new. We don't have that. We lost the commodity expertise, but I don't know how much we've gained in the other. I think we want more of a general type person. I remember we used to have discussions in the 1950s; do you want an all around statistician or do you want someone with commodity experience. I bet you that discussion never takes place today. I think they probably think we were crazy.

Biles: **The arguments where you needed a chemist in order to operate the chemical survey or where you needed a lumberman to operate the sawmill survey.**

Kallek: In many ways, they were right. Because we miss a lot of things today. But I don't think the data was that much better, because we've an ability to review today what we couldn't put in before, such as the kinds of aggregates.

I'm sitting here hesitating when I say that, because whenever you look at individual data items, you think my God, this is wrong with it and this wrong with

it; how does the thing stand up in its total, and probably the total stands up very well.

But there's no question we've gotten away from the commodity expert. But I don't believe we've substituted good in that analyst in its place. As I keep going back, I think that is one of our major problems that we've got to change over the next 10 years. We've got to automate. That all comes together.

Biles: **Some of the same problems we had a few years ago; the timeliness of the data, the quality of the data, are still with us.**

Kallek: No. But I think we're looking at the data more closely today. I don't think we realized before that we needed different types of people to do that. I think in one sense the kind of person we hired was more like the kind of person we needed 15 or 20 years ago. But as I said, what would I like to see as accomplished in the next 5 years, is that I want us to have an automated says tem for the current programs, which is completely interactive, analyst-oriented, and analyst-dominated. I want to see the $87 census done completely differently than we've done this last one. I want to see much more analytical, not only use of the data, but review of the data. Plus the use of administrative records, and if I had to say what are the 5 things, those, I guess are 4 or the 5, and a whole better system of data dissemination which comes really through the automation.

Biles: **The use of graphics.**

Kallek: Yeh, but that's the whole thing. How do you analyze data and how do you review it.

Biles: **You haven't mentioned anything, really, of databases for availability for the public or anything.**

Kallek: Well, that's part of it. That's part of the dissemination, but there again I have problems of who should be doing it within the Bureau. We have a Data User Services Division, number 1. Number 2, are we in competition with private industry, and should we be doing it. There's no question, the way we hand out data today makes no sense.

Biles: **Could you elaborate on that a little bit?**

Kallek: Well, we have a release that comes out, and then we call 30 people with the results. But maybe that's the cheapest way of doing it. I don't know. Just automate for the sake of automation doesn't make sense. But this is really where our centralized dissemination group should be making its studies. And as long as we have a central-

ized group, I feel it's their responsibility to be handling that. Now maybe I'll feel differently 3 or 4 years from now when we have finished our automation efforts.

But what I was talking about, but what do I see for the economic areas over the next 4 or 5 years and that's really where I feel that our responsibilities lie. And all that, of course, comes down to the fact if you do more analysis and you do a better job of publishing your data, you're going to publish better data on a more timely basis. And that's really is the essence of the Census Bureau as to what we should be doing. All of these other things are just means to get it back. As a general purpose statistical agency, our aim is really to come out with better and better data series, earlier and earlier.

Biles: **Okay. Thank you very much.**